

Michigan Office of Financial and Insurance Services

Motor Vehicle Sales Finance Act Annual Renewal Report Required by MCL 492.106a(4) Report Period October 1, 2006 thru September 30, 2007

Receipt of completed application for new or renewal license; issuance of license within certain time period; report.

The number of initial and renewal applications the administrator received and completed within the 90-day time period.

- A. Renewal applications issued to installment seller and sales finance licensees:
- | | |
|--|------|
| ➤ Number of installment seller renewals sent out: | 1878 |
| ➤ Number of sales finance company renewals sent out: | 744 |
| Total number of SF/IS renewals sent in Year 2007: | 2625 |
- B. Renewal applications processed and renewed:
- | | |
|---|------|
| ➤ Number of renewed installment seller licenses: | 1689 |
| ➤ Number of non-renewed installment seller licenses: | 189 |
| ➤ Total number of installment seller renewals (see A): | 1878 |
| ➤ Number of renewed sales finance company licenses: | 715 |
| ➤ Number of non-renewed sales finance company licenses: | 32 |
| ➤ Total number of installment seller renewals (see A): | 747 |
- C. Renewal applications Denied: 0
- No installment seller or sales finance company licenses were formally denied in Year 2007.
- D. Renewal applications processed and renewed within 90 days:
- All renewal applications were processed, renewed or cancelled and notified of non-renewal within the required 90-day requirement.
- E. New installment seller and sales finance company applications received from 10/1/06-9/30/07:
- | | |
|---|-----|
| ➤ Number of installment seller license applications received: | 302 |
| ➤ Number of Sales Finance license applications received: | 99 |
| ➤ Total number of IS/SF applications received: | 401 |

F. New installment seller and sales finance company applications processed and renewed:

➤ Number of approved installment seller applications:	190
➤ Number of non-approved installment seller applications:	112
➤ Number of approved sales finance company applications:	58
➤ Number of non-approved sales finance company applications:	41
➤ Total number of approved IS/SF applications:	248
➤ Total number of non-approved IS/SF applications:	152

G. New applications Denied:

- No installment seller or sales finance company applications were formally denied in Year 2007.

H. New applications processed within 90 days:

All renewal applications were processed, approved or cancelled and notified of cancellation within the required 90-day requirement.

I. Amount of money returned to licensees and applicants pursuant to Section 6a:

- None. All applications and renewals were properly processed within the required timeframes set in Section 6a.

Statutory requirement.

Section 6a of the Motor Vehicle Sales Finance Act states:

(1) Subject to subsection (3), beginning on the effective date of the amendatory act that added this section, the administrator shall approve or reject a new or renewal license application within 90 days after the date a complete application under section 4 is received by the office of financial and insurance services or the date it is received by another agency or department of state government on behalf of the office of financial and insurance services, whichever is earlier.

(2) If an application described in subsection (1) is considered incomplete by the administrator, the administrator shall notify the applicant in writing or electronically within 30 days after receipt of the incomplete application, describing the deficiency and requesting the additional information, the unpaid fee, or the bond. The 90-day time period described in subsection (1) is tolled upon notification by the administrator of a deficiency until the date the requested information is received by the administrator. The

determination of the completeness of an application does not operate as an approval of the application for the license and does not confer eligibility of an applicant determined otherwise ineligible for issuance of a license. The tolling of the 90-day time period under this subsection does not allow the administrator to otherwise delay the processing of the application, and that application, upon completion, shall be placed in sequence with other complete applications received at that same time.

(3) If the administrator fails to issue or deny a license within the time required by this section, the administrator shall return the license fee and shall reduce the license fee for the applicant's next renewal application, if any, by 15%. The administrator shall not discriminate against an applicant in the processing of the application based upon the fact that the license fee was refunded or discounted under this subsection.

(4) Beginning October 1, 2005, the administrator shall submit a report by December 1 of each year to the standing committees of the senate and house of representatives concerned with commerce issues and to the appropriations subcommittees of the senate and house of representatives generally responsible for appropriations to the office of financial and insurance services. The administrator shall include all of the following information in the report concerning the preceding fiscal year:

(a) The number of initial and renewal applications the administrator received and completed within the 90-day time period described in subsection (1).

(b) The number of applications denied.

(c) The number of applicants not issued a license within the 90-day time period and the amount of money returned to licensees and registrants under subsection (3).